MOTIVATING MEMORANDUM

IN SUPPORT OF AN APPLICATION FOR THE PARK

CLOSURE AND REZONING OF ERF 1051,

ROCKDALE

STEVE TSHWETE LOCAL MUNICIPALITY

AMENDMENT SCHEME 803, ANNEXURE A668

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MEMORANDUM MOTIVATING THE APPLICATION FOR PARK CLOSURE AND REZONING OF ERF 1051, ROCKDALE

1. INTRODUCTION

Urban Dynamics Mpumalanga (PTY) LTD was appointed to act as applicant on behalf of the company who entered into a Sales Agreement with the Steve Tshwete Local Municipality to acquire the subject property and to apply for the park closure and rezoning of Erf 1051, Rockdale in order to utilise the property for a commercial centre (refer to *Annexure A*).

2. THE APPLICATION

The application includes the following:

- Application is made in terms of Chapter 5, Part C, Section 62(1) read with Chapter 6 of the Steve Tshwete Local Municipality Spatial Planning and Land Use Management By-Laws 2016 (15 January 2016) for the *rezoning* of Erf 1051, Rockdale from "*Public Open Space*" to "*Business 2*" for a neighbourhood shopping centre development as further explained in point 4 of this motivating memorandum.
- Application is made in terms of Chapter 5, Part G, Section 75(1) read with Chapter 6 of the Steve Tshwete Local Municipality Spatial Planning and Land Use Management By-Laws 2016 (15 January 2016) for the *permanent closure of a public place*.

The application is being lodged with the Steve Tshwete Local Municipality.

Section 10 of the application form refers to information or documentation that is required for a "Rezoning" application. According to the best of our knowledge the following information or documentation *is not required in this specific case* for the following reasons:

• <u>Conveyancer Certificate</u>: A Certificate of this nature is normally required for Township Establishment in order to see what title conditions need to be removed as a result of the MEMO\MID397\REZONING\JC township establishment. A copy of the Title Deed is included in the application and the title conditions are not restricting any of the proposals made in the application.

- <u>Comment of abutting property owners</u>: Part of the rezoning process will be to notify the abutting property owners of the application and submission of their comments forms part of the application process.
- <u>Body Corporate/Home Owners Consent</u>: There is no Body Corporate or Home Owners Association registered against the property and therefore it is also not applicable.
- <u>Surveyor General Consent</u>: The application does not include the extension of existing township boundaries and therefore it is not applicable.
- <u>Community approval</u>: Not applicable since the application site is not communal land.
- <u>Traffic Impact Study</u>: The draft Traffic Impact Study is attached in the motivating memorandum in Annexure H.

3. GENERAL INFORMATION

3.1. Title Deed Description

Title Deed T11618/2010 is contained in *Annexure C* and is the original Title Deed that is registered against the property, although it includes the farm portions on which the property was established. The Deed of Sale concluded between the municipality and the company will lead to the transfer of the property that will result in a Title Deed assigned to Erf 1051, Rockdale.

3.2. Locality

The application site is situated along the N11 in the first township establishment of Rockdale on the corner of one of the main entrances to Rockdale in Ward 8 (refer to *Annexure B*). The application site falls within the Steve Tshwete Local Municipality and the Nkangala District Municipality boundaries.

The following excerpt from the municipal aerial photography provides the approximate

position of the application site shown in the red polyline.



Source: STLM Aerial Photography, 2017

3.3. Ownership

The ownership of Erf 1051, Rockdale is registered in the name of a the Steve Tshwete Local Municipality, but a sales agreement was entered into with a company called "Chestar Supplies (PTY) LTD" (Registration Number 2018/234274/07) who is in process to obtain the land from the local municipality for the purpose of a business development (refer to *Annexure C*).

3.4. Bond

The property is not encumbered by a bond and therefore no consent is necessary in this case.

3.5. Current Zoning

According to the Zoning Certificate the erf is currently zoned "Public Open Space" (refer to *Annexure E*).

3.6. Engineering Services

The application site forms part of the original township established of Rockdale and was reserved for the purpose of a public open space due to the fact that it was utilised as a borrow pit according to the Geotechnical investigation that formed part of the township establishment process. The borrow pit was utilised during the construction of the N4 highway, but it is possible to be rehabilitated and utilised for another purpose.

Civil Services

Tirisano Consulting Engineers was appointed to investigate the availability of civil services for the proposed development and their report is attached in *Annexure H*. According to the report there are existing civil services around the site where connection points are available for the proposed development and when pressure tests are confirmed the design for the connection points and possible upgrades will be confirmed.

Electrical Services

LTZ Consulting Electrical Engineers was appointed to investigate the availability of bulk electrical services for the proposed development there report is attached in *Annexure H.*

According to the report the load requirement for a business centre of this size is estimated at 500kVA. Initial discussions with the Steve Tshwete Local Municipality Electrical Department indicated that the capacity is available from the exiting 11kV bundle conductor on the boundary of the application site.

Traffic Impact Study

MPE Consulting Traffic Engineers was appointed to investigate the possible impact the proposed development will have on the existing and future traffic situation their report is attached in *Annexure H*. The following recommendations were made in the report with regards to the traffic impact:

- The traffic impact assessment was considered favourably for the establishment of a small shopping centre and no road upgrading is required according to the report.
- An additional 11 Mini-bus Taxi and 1 bus be permitted to travel along the N11 route to service the needs of the site.
- Two standard 20m long lay byes for busses and min-busses are recommended at the downstream side of Ekukhanyeni Street at the main access point of the shopping centre to facilitate the expected future public transport operations.
- A 2m wide sidewalk along the shopping centre's frontage in Ekukhanyeni Street is required to accommodate the pedestrians walking to and from the development.

3.7. Area of property

According to the General Plan SG 2829/2006, the property is 1.9999 ha in extent.

3.8. Current Land Use

The application site is vacant but currently a temporary road construction contractor occupies the site due to the work that is being done on the rehabilitation of the N11.

3.9. Environmental Impact

AdiEnvironmental cc specialist was appointed to investigate the need for the authorisation of the site in terms of the Environmental Impact Regulations, 2014.

Their initial investigation indicated that an old quarry is present on site. Natural vegetation is present but is highly disturbed. Dumping of waste also takes place on site. A portion of the site is used as a construction site office by contractors currently upgrading the N11 national road.

In terms of the Environmental Impact Assessment Regulations, 2014 (as amended), the proposed development of a shopping mall on Erf 1051 would trigger the following listed activities:

	LISTING NOTICE NO. 1 (R327) : REQUIRES A BASIC ASSESSMENT					
NO	Description					
27	The clearance of an area of 1 hectares or more, but less than 20 hectares of indigenous vegetation, except where such clearance of indigenous vegetation is required for—(i) the undertaking of a linear activity; or (ii) maintenance purposes undertaken in accordance with a maintenance management plan.					
	LISTING NOTICE NO. 2 (R325): REQUIRES A SCOPING AND EIA					
NO	NO Description					
	NO LISTED ACTIVITIES APPLICABLE.					
	LISTING NOTICE NO. 3 (R324): REQUIRES A BASIC ASSESSMENT					
Desc	ription					
12	12 The clearance of an area of 300 square metres or more of indigenous vegetation except where such clearance of indigenous vegetation is required for maintenance purposes undertaken in accordance with a maintenance management plan.					
15	The transformation of land bigger than 1000 square metres in size, to residential, retai commercial, industrial or institutional use, where, such land was zoned open space, conservatio or had an equivalent zoning, on or after 02 August 2010.					

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In order to obtain environmental authorisation, a Basic Assessment must be conducted as described in Regulations 19 and 20 of the Environmental Impact Assessment Regulations 2014 (as amended) as promulgated in terms of Section 24(5) and 44 of the National Environmental Management Act, 1998 (Act 107 of 1998).

AdiEnvironmental cc. is therefore in process to conduct the required Basic Assessment and compile the necessary documentation in order to obtain the environmental authorisation needed for the proposed development.

4. PROPOSED DEVELOPMENT

JSV Architecture was appointed to design a draft site development plan for the proposed business activity on the application site in order to determine what size and type of development is possible on the property taking into account the requirements of building lines, parking provision and circulation and the coverage of the proposed business. The draft Site Development Plan is contained in *Annexure J* of this motivating memorandum.

The access to the proposed business site is situated 100m from the intersection of the access road with the N11 which is a requirement from SANRAL who is the controlling authority along the N11 national road. A separate "delivery" entrance and exit is proposed further down the same access road in order to separate the traffic from the customers with the deliveries. No direct access from the N11 will be allowed.

The Site Development Plan demonstrates the bulk of the buildings proposed on the site for the shopping centre that amounts to approximately 4 039.59m². The buildings include a proposal for an Anchor Shop of approximately 1 655.34m² with a possible future extensions of 416.26m² for the Anchor shop. Furthermore it includes the provision of line shops to the extent of 902.30m² with a possibility of a future expansion of 902.638m² for the purpose of line shops. The exact tenant mix for the proposed business premises is not yet finalised and once all the authorisations are in place the owners will investigate and negotiate with possible tenants according to the market need at that point in time. MEMO\MID397\REZONING\JC

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The total coverage of all the buildings on the site and the immediate future expansion are approximately $4039.59m^2$ and represents coverage of 20.20% of the total area of the site.

5. DEVELOPMENT RESTRICTIONS

The following development parameters are proposed for the application site as a result of the site plan that was drawn up by the Architects. *Annexure G* includes the development restrictions, Map 2 series and scheme clauses and the annexure to the scheme.

5.1. Zoning

The proposed zoning for the erf is "Business 2" and all the primary rights applicable to this zoning in the Steve Tshwete Town Planning Scheme will be applicable to the application site.

5.2. Height

The proposed height of the buildings on the property is restricted to 2 storeys.

5.3. FAR

An FAR of 0.25 is proposed for the development in line with the draft SDP. Once agreement was entered into with the proposed tenants the SDP might change according to the need of the tenants and request is therefore made to reserve the right to amend the FAR by means of the submission of a formal SDP at a later stage.

5.4. Coverage

The coverage for the proposed development is 25% in line with the draft SDP. Once $\tt MEMO\MID397\REZONING\JC$

agreement was entered into with the proposed tenants the SDP might change according to the need of the tenants and request is therefore made to reserve the right to amend the coverage by means of the submission of a formal SDP at a later stage.

5.5. Parking requirements

A parking ratio of 6 parking spaces per 100m² gross leasable area was applied for the calculation of the parking requirements since the mix of tenants is not yet available to differentiate between the different uses and parking requirements. The gross leasable area calculated in the SDP amounts to 4 039.59m² and therefore a total of at least 242 parking spaces must be provided to comply with the town planning scheme.

The SDP indicates that a total of 368 parking spaces can be provided on the site which is 126 parking spaces more than the required number according to the parking requirements in the town planning scheme.

Once the different uses within the shopping complex is finalised and submitted as part of the formal SDP, the parking requirements will have to be revisited to see if other requirements are applicable to other uses in the centre.

6. PUBLIC PARTICIPATION PROCESS

The communities most likely affected by the proposed application include the surrounding existing low and high density residential stands adjacent to the site.

In terms of the Steve Tshwete Local Municipality SPLUMA By-laws the application must be advertised in a local newspaper, Provincial Gazette and a site notice must be erected. Proof of the public notification will be submitted as soon as it appeared in the newspaper. The surrounding communities and property owners will therefore have an opportunity to comment on the application. Furthermore the adjacent owners need to be informed of the

application by posting or delivering a copy of the notice to them. According to the best of our knowledge the following adjacent owners should be informed:

Adjacent property description	Registered owner
N11 National Highway	South African Roads Agency/ TRAC due to proximity to N11 and N4
	highway
Remainder of the farm Rockdale 442-JS	Rockdale Industrial PTY LTD
Erf 105, Rockdale	Steve Tshwete Local Municipality
Erf 406, Rockdale	Haiyana Mongezi Panuel
Erf 405, Rockdale	Manala Ramathabathe Emily
Erf 106, Rockdale	Mahlangu Fuduka Martha
Erf 135, Rockdale	Qwabe Victor Bheki
Erf 136, Rockdale	Rakgalakane Fransinah Sebubudi
Erf 137, Rockdale	Skosana John Elias
Erf 434, Rockdale	Phafudi Hlalaphi Jane
Erf 435, Rockdale	Nakchungue Daizy Maria
Erf 433, Rockdale	Phafudi Martha Bettie
Erf 138, Rockdale	Lubisi Leeneje Linah
Erf 267, Rockdale	Mokoena Vincent Xolane
Erf 652, Rockdale	Steve Tshwete Local Municipality
Erf 673, Rockdale	Steve Tshwete Local Municipality
Erf 674, Rockdale	Steve Tshwete Local Municipality
Erf 1059, Rockdale	Steve Tshwete Local Municipality

The municipality will inform us if any other interested and affected parties need to be informed as part of the public participation process.

7. MOTIVATION

7.1. Need

A Sales Agreement was concluded between Chestar Supplies (PTY) LTD and the Steve Tshwete Local Municipality to alienate the application site for the purpose of a commercial development (please refer to *Annexure D*) and a Council Resolution was passed on 16 August 2019 in this regard. Therefore the municipality already confirmed the need for a commercial development for the Rockdale area that does not have any neighbourhood centre within walking distance for the nearly 5000 households already situated in the area. According to the latest Housing Sector Plan the Strategic Development Areas around the Rockdale area could add another 14 893 households to the area which means that there are could yield close to 20 000 households in the near future. Yet, no formal recognisable business centre was established in the area that can provide the residents with the day-today convenience items they need in walking distance from their place of residence.

Currently Rockdale hosts one business site known as the Rockdale Supermarket situated approximately 440m north-east of the application site that only provides basic needs to the community. The other shopping opportunity for the households in Rockdale other than the primary nodes like the CBD and Middelburg Mall is the newly established "Choppies" centre in Hlalamnandi (Middelburg Ext. 22). The business centre provides a convenience supermarket store, Standard Bank, take-away establishment and a funeral business. This centre is not situated within a Secondary Node and can therefore be considered as a neighbourhood centre providing basic retail needs to the surrounding neighbourhood, similar to the application site. The centre is approximately 5.5 km from the Rockdale area which is not considered as an acceptable walking distance for residents. A neighbourhood centre should be within 1.5km or 2km walking distance from residents in a neighbourhood.

Rockdale and its extension were established over a period of time and are nearly fully developed with residential units of a lower income nature or units provide by various mining

companies that acquired sites for resettlement purposes. However, no formal neighbourhood centre were development as part of the drive towards integrated development although some business sites were provided as part of the township establishment process of which one site was developed with a basic supermarket. Therefore the residents in Rockdale need to travel long distances to reach a neighbourhood centre that provides more retail opportunities than the basic supermarket already established.

The need for a formal neighbourhood centre is therefore further established when considering the Council Resolution that such a business centre should be established by means of the sale agreement concluded between the Council and the company the site was awarded to.

7.2. Desirability

The latest issue of the magazine "Earthworks" (Issue 48, October - December 2019) contains a very interesting article written by Silke Colquhoun explaining the opportunities that developers are taking advantage of in developing business centres within the underserved residential township and rural areas that were previously excluded as part of the commercial market for the development of "mall type" business opportunities. The writer indicates that this particular market sector has outperformed the high-end malls in urban areas in recent years and should not be underestimated as consumers in these areas are becoming more aware of their buying power. This trend has already taken place in and around Middelburg with the establishment of the Mhluzi Mall and KG Mall in Kwa-Guqa over the past 5 years. The proposed site is not in the same market as the Mhluzi Mall and should therefore be considered as a neighbourhood centre rather than a mall.

The area south of the R104 (old Belfast Road) and east of the N11 contains a large number of residential stands although not many business development in the form of convenience retail stores appear in this segment of town. There is therefore a remarkable opportunity in this segment of town for the establishment of more neighbourhood type business MEMO/MID397/REZONING/JC 12 development since the population is present in the area to provide an offset market closer to places of resident and would cut down on travelling time to the bigger nodes in order to buy the day-to-day items needed for a household.

The desirability of a neighbourhood centre can be motived by addressing the site specific factors that makes such a centre desirable. The following heading s and paragraphs explain the factors that should be considered in the motivation.

• Visibility

The proposed site is situated at one of the main entrances to the Rockdale residential area which is also used as bus-route through the township that connects with other bus-routes. The site is furthermore situated on the N11 that links the N4 highway with the central part of Middelburg and is considered as a Primary road in the existing SDF. The site has good visibility from the N11 and the local distributor road that serves the residential area.

• Competition

Currently there are no formal business sites within Rockdale and the surrounding area and the closest similar site is situated 5.5 m away from the application site in Hlalamnandi (Middelburg Ext. 22). The eastern part of town between the R104 and the N11 is not well services with any formal business centre and the need for such a centre is apparent.

• Accessibility by vehicles & Public Transport

The location of the application site on the intersection with the N11 and the bus-route through the township makes its very accessible for public transport and motor vehicles the like. The entrance to the site is situated 100m from the intersection with the N11 in accordance with standards of SANRAL for proposed entrances at intersections with a national road.

• Parking

Parking can be provided on the site and the total number of parking provided is more than the required parking ration proposed in the town planning scheme.

• Centre Classification

Unfortunately neither the Steve Tshwete Town Planning Scheme (2004) nor the SDF (2017) provides any form of classification of business centres. The nearest reference to a type of classification is the Primary nodes, Secondary node and neighbourhood centres with no specifics with regards to the size of the establishment, number of households it should service, radius, walking distance etc. Experience has shown that the size of a neighbourhood centre that is not situated within a primary or secondary node should be in the order of 4000 m²-10 000m². The size of the proposed centre is just over 4000m² which could therefore be considered to be classified as a *neighbourhood centre* which will provide retail facilities such as a supermarket, convenience stores and some small specialised stores. The South African Property Owners Association (SAPOA) also indicates that the size of a neighbourhood centre ranges from 5000m² to 12 000m² and therefore the proposed site could be classified as a neighbourhood centre that will not be in competition with the centres in the primary or secondary node.

• Orientation & proximity

The application site is centrally located in the catchment area of Rockdale on the intersection with a main bus-route into Rockdale and the N11 that provides connectivity to the N4 and Middelburg town. Rockdale and extensions together with Middelburg Extension 24 contains approximately 5000 residential stands that is considered the target market and feeding area for the proposed shopping centre with no other formalised business ventures within 5km from the application site.

• Traffic Volumes

The traffic counts that was done indicate the amount of motor vehicles passing the site on a daily basis that further indicates the desirability of the site due to the high volumes of traffic utilising the N11 on a daily basis.

Complimentary facilities

No other complimentary facilities exist in close proximity to the site. Complementary

facilities include uses such as offices and other retail facilities that will strengthen the proposed business centre. Once the centre is established it will probably encourage other complimentary facilities to be established in the area or in close proximity. Two school sites have been developed and could be considered as complementary facilities for the business centre.

7.3. Sustainability

The sustainability of the proposed application can be motivated in terms of the following parameters:

• Institutional sustainability:

According to Chapter 4 of the United Nations Global Sustainable Development Report 2016 (p61) the term "institution" is broad and multidimensional which encompass a range of entities, structures, norms and frameworks that organize society and human life. It also states that institutions are not the only means to reduce inequalities but that inclusive institutions are critical enablers of equity and play a central role to achieving the objective of leaving no one behind. Principles that institutions should strive to achieve are "effectiveness, inclusiveness, and accountability", "responsive, inclusive, participatory and representative decisionmaking at all levels" and "policy coherence"

The Spatial Planning and Land Use Management Act, 2013 and the Steve Tshwete Local Municipality Spatial Planning and Land Use Management By-Laws, 2015 makes provision for inclusive, developmental, equitable and efficient spatial planning. The legislation thus promotes Institutional Sustainability in terms of Spatial Development regulations.

Institutional Stability is promoted by applying for rezoning in terms of Section 62 and Chapter 6 of the Steve Tshwete Local Municipality Spatial Planning and Land Use Management By-Laws (15 January 2016) which ensures effectiveness of MEMO\MID397\REZONING\JC 15 the application process and inclusiveness by means of notices to inform the public of the application.

- <u>Social sustainability</u>: Social sustainability will be promoted in terms of employment opportunities that will be created during the construction and operational phase of the establishment. Employment opportunities can improve the standard of living for individuals in the direct vicinity of the neighbourhood and surrounding that will promote social stability. It is envisaged that the enterprise could employ at least 100 people during construction and at least 50 people during the operational phase.
- <u>Environmental sustainability</u>: Environmental Sustainability will not be compromised as
 a result of the proposed rezoning and therefore a company was appointed to
 undertake the necessary steps to ensure that the environmental authorisation
 needed in this case is obtained before any development will take place.
- <u>Infrastructural sustainability</u>: The site is situated in an existing registered township where engineering services are already available as indicated by the civil and electrical engineering reports. This promotes infrastructure stability as existing services will be optimized that will lead to a sustainable development in the long run, therefore discouraging leap frog development far away from any existing engineering services and other social facilities.
- <u>Economic sustainability</u>: The size of the property is large enough to accommodate
 the proposed business venture and the formalisation of the business centre in the
 area will assist with the economic viability of the whole area in the future. The
 location of the proposed development on an intersection of a main bus-route to the
 area and the N11 (primary road) will further promote economic sustainability of the
 proposed development since residents will be able to access the site with ease and
 will not have to travel long distances just to get the necessary consumer products
 for the their livelihood.

7.4. COMPLIANCE WITH THE STLM SDF

The Steve Tshwete SDF, 2017 identified activity nodes/areas within Middelburg and the surrounding townships with the *primary node* being the Middelburg CBD that contains an extensive range of retail development, offices, government buildings and municipal offices.

A total of thirteen *secondary nodes* are also identified in the SDF of which the Rockdale Node is the closest to the application site. The primary function of the secondary nodes is to support the CBD and to enhance access to lower order convenience goods and services within a walking distance to all communities in town. The intention of thee nodes are not to compete with the primary node, but to provide support.

The SDF also identifies *Multi-Purpose Community Centres/Thusong Centres* of which one is proposed in Rockdale and furthermore indicate that *Neighbourhood centres* should be allowed at limited scale within residential neighbourhoods with the sole purpose to provide access to very basic range of services and facilities within walking distance in neighbourhoods.

The number and spatial distribution of these neighbourhood centres were not defined and is to be determined by Council from time to time. Therefore no indication or guideline was provided in the SDF where these neighbourhood nodes should be situated and also not how many households a neighbourhood node should include or the size of such neighbourhood centres. The SDF should have included a classification of business centres that could serve as a guideline for any future business development within neighbourhoods.

The proposed size of the centre can clearly be classified as a neighbourhood centre for the Rockdale area and could therefore be considered in line with the SDF that promotes neighbourhood centres within neighbourhoods.

7.5. General Principles: Chapter 2 of SPLUMA

The general principles contained in Chapter 2 of the Spatial Planning and Land Use Management Act (Act 16 of 2013) and the Steve Tshwete By-law on Spatial Planning and Land Use Management are also considered in this application. The following paragraphs elaborate on how the proposed development contained in the application conforms to these general principles. The general principles are listed below and then an explanation follows to demonstrate how the application conforms to the specific principle.

(A) THE PRINCIPLE OF SPATIAL JUSTICE, WHEREBY-

(i) past spatial and other development imbalances must be redressed through improved access to and use of land

The proposed development will provide a range of facilities and access to use of land that was previously only accessible for residential purposes.

(ii) spatial development frameworks and policies at all spheres of government must address the inclusion of persons and areas that were previously excluded, with an emphasis on informal settlements, former homeland areas and areas characterized by widespread poverty and deprivation;

The proposed development as such is not related to addressing informal settlements, former homelands or areas characterized by widespread poverty and deprivation.

- (iii) spatial planning mechanisms, including land use schemes, must incorporate provisions that enable redress in access to land by disadvantaged communities and persons; The proposed development as such is not related to addressing the need and access to land of disadvantaged communities and persons.
- (iv) land use management systems must include all areas of a municipality and specifically include provisions that are flexible and appropriate for the management of disadvantaged areas, informal settlements and former homeland areas;

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The proposed development as such is not related to addressing informal settlements, former homelands or areas characterized by widespread poverty and deprivation.

 (v) land development procedures must include provisions that accommodate access to secure tenure and the incremental upgrading of informal areas;
 The proposed development is not applicable to security of tenure or incremental upgrading of informal settlements.

(vi) a Municipal Planning Tribunal considering an application before it, may not be impeded or restricted in the exercise of its discretion solely on the ground that the value of land or property is affected by the outcome of the application; The proposed business enterprise is situated on the corner of a residential block which provides the perfect opportunity for this type of development as supposed to being developed in the centre of such a residential block. The proposed use is not unlikely in a residential area with many other such uses already operating in existing residential areas and it is unlikely to decrease the value of the adjacent properties.

(B) <u>THE PRINCIPLE OF SPATIAL SUSTAINABILITY, WHEREBY SPATIAL PLANNING</u> <u>AND LAND USE MANAGEMENT SYSTEMS MUST-</u>

 promote land development that is within the fiscal, institutional and administrative means of the Republic;

The proposed development and the scale of the development are within the means of the developer to develop the site accordingly and all the development cost will be for the account of the developer.

(ii) ensure that special consideration is given to the protection of prime and unique agricultural land;

The proposed site is within an existing urban area of the municipality's SDF within an established township boundary and therefore is not unique or prime agricultural land that needs to be protected.

 (iii) uphold consistency of land use measures in accordance with environmental management instruments;
 The proposed site is within an existing urban area of the municipality's SDF within an

established township boundary and does not trigger any listed activities with regards to environmental issues.

- (iv) promote and stimulate the effective and equitable functioning of land markets;
 The proposed development will promote and stimulate effective and equitable functioning of land markets.
- (v) consider all current and future costs to all parties for the provision of infrastructure and social services in land developments;

The scale of the development is within the existing parameters of the residential building and no other extension or additional units is proposed and therefore the existing available bulk engineering services should be sustainable for the proposed development.

 (vi) promote land development in locations that are sustainable and limit urban sprawl; and

The proposed development is situated within an existing township boundary and will therefore not lead to urban sprawl.

(vii) result in communities that are viable.

The proposed development will contribute to the viability of the community by providing a place of refreshment and safe children play areas close to a developed open space situated on a major road within the outskirts of a residential area.

(C) THE PRINCIPLE OF EFFICIENCY, WHEREBY-

(i) Land development optimizes the use of existing resources and infrastructure;

The proposed development takes place in an established township that can provide access to all the necessary engineering services and resources and will therefore optimize the

existing infrastructure already in place. No additional buildings or residential units are proposed that could have an influence on the bulk engineering services in the area.

 (ii) Decision-making procedures are designed to minimize negative financial, social, economic or environmental impacts; and

The scale and location of the development within the urban area close to existing municipal services should not influence the financial, social, economic or environmental aspects negatively.

 (iii) Development application procedures are efficient and streamlined and timeframes are adhered to by all parties;

The proposed development will follow the prescribed timelines proposed in the by-law for land use management application and should therefore contribute to the efficiency of the process.

(D) THE PRINCIPLE OF SPATIAL RESILIENCE, WHEREBY FLEXIBILITY IN SPATIAL PLANS, POLICIES AND LAND USE MANAGEMENT SYSTEMS ARE ACCOMMODATED TO ENSURE SUSTAINABLE LIVELIHOODS IN COMMUNITIES MOST LIKELY TO SUFFER THE IMPACTS OF ECONOMIC AND ENVIRONMENTAL SHOCK AND

The provision of a mix of land uses contained in one location will add to the sustainable livelihoods within the greater community since a number of job opportunities will be created as a result of the development that will better the social and economic situation of the local community.

- (E) THE PRINCIPLE OF GOOD ADMINISTRATION, WHEREBY-
- (i) All spheres of government ensure an integrated approach to land use and land development that is guided by the spatial planning and land use management systems as embodied in this Act;

The provision of this facility in an area that is already developed is part of the integrated approach that utilizes existing land within urbanized areas in line with the proposals of the SDF and land use management systems of the local municipality.

 (ii) All government departments must provide their sector inputs and comply with any other prescribed requirements during the preparation of amendment of spatial development frameworks;

Part of the application process is to request comments from all internal departments within the municipality as well as public comments from the community through the advertising process.

(iii) The requirements of any law relating to land development and land use are met timeously;

The application process will conform to all relevant laws and requirements as set out in the by-laws to ensure that no delay is caused from the part of the application in processing the application.

(iv) The preparation and amendment of spatial plans, policies, land use schemes as well as procedures for development applications, include transparent processes of public participation that afford all parties the opportunity to provide inputs on matters affecting them; and

The application will encourage public comments through the advertising process (local newspaper advertisements, government gazette advertisement and site notices) to ensure that the process is transparent and empowers members of the public to contribute to the land development process.

(v) Policies, legislation and procedures must be clearly set in order to inform and empower members of the public

The application will encourage public comments through the advertising process (local newspaper advertisements, government gazette advertisement and site notices) to

ensure that the process is transparent and empowers members of the public to contribute to the land development process.

MEMO\MID397\REZONING\JC

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8. CONCLUSION

Section 42 of the Spatial Planning and Land Use Management Act (Act 16 of 2013) states that in considering and deciding on an application the Municipal Planning Tribunal (MPT) must be guided by the development principles as set out in Chapter 2 of the act. Furthermore the MPT must make a decision which is consistent with norms and standards, measures designed to protect and promote the sustainable use of agricultural land, national and provincial government policies and the municipal spatial development framework. Since this application is located within a well-established urban area the promotion and protection of agricultural land is not applicable in this case. The application site is situated along a primary road that is considered as a major traffic route where mixed use development should be encouraged as promoted by National, Provincial and Local policies.

The MPT must also consider the public interest in the matter, the constitutional transformation imperatives and the related duties of the State. Furthermore the facts and circumstances relevant to the application and the respective rights and obligations of all those affected should also be taken into account when an application is evaluated. Equally important to consider is the engineering services, social infrastructure and open space requirements and any other factors that may be prescribed, including the timeframes for making decisions on the application.

The SDP provided in the application outlines the proposed business uses and demonstrate that the site is large enough to accommodate all the uses and provide the required parking that is needed for the development.

The following positive aspects of the application that will contribute to the greater community which is in line with the local municipality's by-laws and the general principles of SPLUMA are highlighted again below:

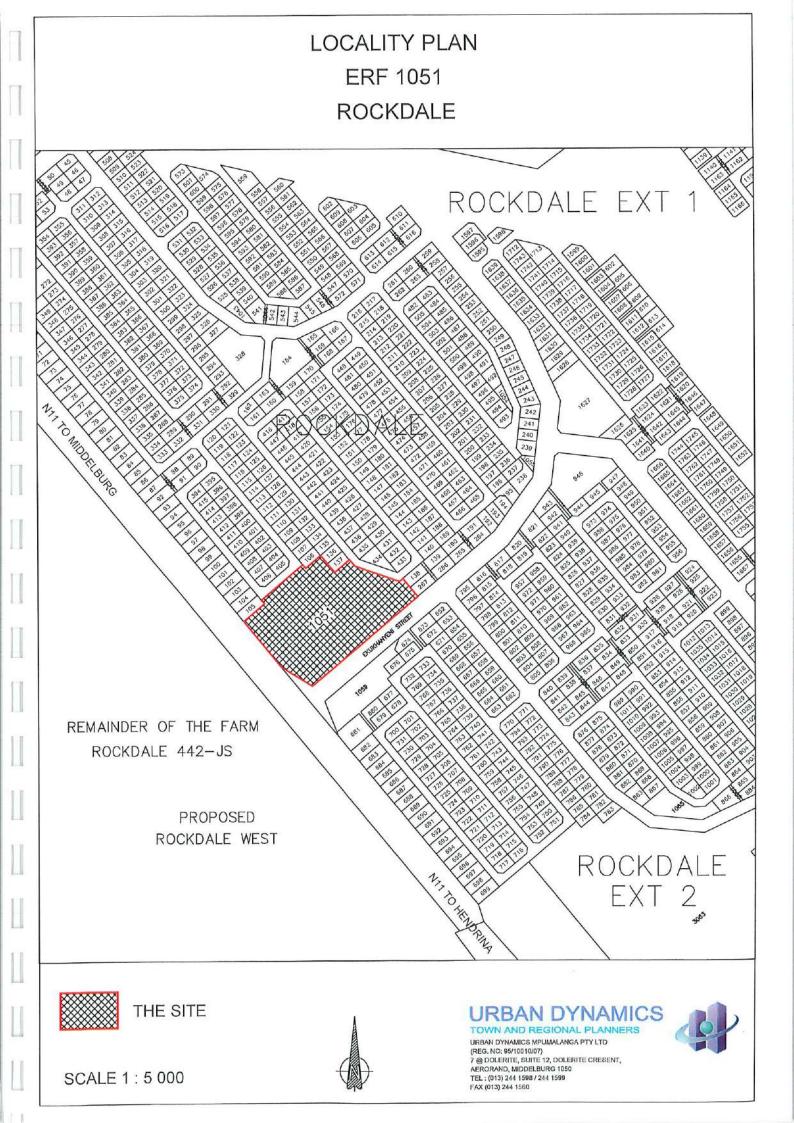
- The proposed development is situated in an existing urban area on one of the major roads linking the Middelburg CBD with the N4 national highway.
- No other formalised neighbourhood centre of this nature has been established in the area that hosts over 5000 stands with a possibility of increasing to 20 000 stands in the near future. Therefore it will bring opportunities to the local residents close to the place where they live and cut down on travelling time and cost to obtain basic consumer goods.
- Typical mixed use development is encouraged along major traffic routes according to
 planning policies and a movement away from single use development on such corridors
 is widely accepted and promoted due to the mobility the traffic routes provide.
- The size of the property is large enough for this type of development as demonstrated in the draft SDP provided as part of this motivation.
- Parking can be provided on the site in line with the required minimum that the town planning scheme propose and access is provided from the intersection with an existing bus-route and a primary road (N11) according to the SDF.
- The proposed development is within an existing urban area and it will promote the optimisation of the existing use of bulk infrastructure and prevent urban sprawl.
- The traffic Impact Study indicated that no future road upgrading is proposed for the development and that the development is considered acceptable from a traffic impact point of view.

We trust that the local municipality will see the benefits of this type of development at the specific location and the positive effect it can have in the area with no expected detrimental effect to the surrounding residential area.

ANNEXURE B LOCALITY PLAN

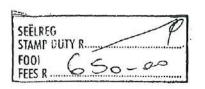
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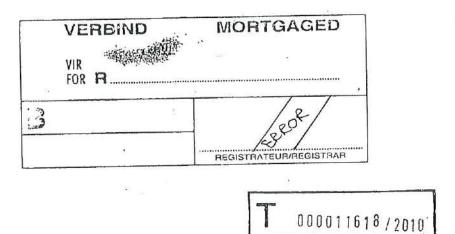
ANNEXURE C TITLE DEED & SG DIAGRAM





Prepared by me

VAN DER SPUY;R



DEED OF TRANSFER

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RUDI VAN DER SPUY

appeared before me, REGISTRAR OF DEEDS MPUMALANGA, at Nelspruit, he the said Appearer being duly authorised thereto by a Power of Attorney signed at JOHANNESBURG on 31 AUGUST 2009 and granted to him by

KANHYM ESTATES (PROPRIETARY) LIMITED Registration Number: 2001/014673/07

GhosiConvey 9.6.0.5

And the Appearer declared that his said principal had truly and legally sold on 9 March 2005 and that he, the said Appearer, in his capacity aforesaid, did, by these presents, cede and transfer to and on behalf of

STEVE TSHWETE LOCAL MUNICIPALITY

Its successors in title or assigns, in full and free property

1. PORTION 4 OF THE FARM ROCKDALE 442 REGISTRATION DIVISION J.S, PROVINCE OF MPUMALANGA;

> MEASURING 63,8691 (SIXTY THREE COMMA EIGHT SIX NINE ONE) HECTARES;

AS WILL APPEAR from Diagram S.G. No 2828/2006 and HELD by Deed of Transfer No. T 131369/2002;

SUBJECT to the following conditions:

- A. SUBJECT to Notarial Deed No 2/1917-P Rts. In favour of ALBERT CHARLES COLLINS as regards certain Royalties with respect to coal mined and won.
- B. SUBJECT to a Servitude of Right-of-Way in favour of the UNION FREE STATE COAL AND GOLD MINE LIMITED, for the purpose of constructing thereon a Railway track and rights ancillary thereto all as will more fully appear from Notarial Deed of Servitude No 479/1951-S.
- C. SUBJECT to the right granted to ELECTRICITY SUPPLY COMMISSION to convey over the property hereby transferred together with ancillary rights and subject to conditions as will more fully appear from Notarial Deed of Servitude No 664/1967-S registered on the 1st of June 1967.
- D. SUBJECT to a Servitude to convey electricity in favour of Eskom together with ancillary rights and subject to conditions as will more fully appear from Notarial Deed K1384/1974-S with diagram attached, dated the 2nd of July 1974.
- E. SUBJECT to the cession of a ½ (one half) share in coal rights in favour of BP Southern Africa (Proprietary) Limited as will more fully appear from Deed of Cession No K3124/1977RM dated 11 October 1977.
- F. SUBJECT to a servitude to convey electricity over the property in favour of Eskom together with ancillary rights and subject to conditions as will more fully appear from Notarial Deed K2318/85S with diagram annexed dated 12 July 1984.

Ghos/Convey 9.6.0.5

- G. SUBJECT to a Servitude to convey electricity over the property in favour of Eskom together with ancillary rights and subject to conditions as will more fully appear from Notarial Deed K222/85S with diagram annexed dated 25 January 1985.
- H. A portion of the property held hereunder, measuring approximately 2,17 (two comma one seven) hectares, together with all minerals thereon has been expropriated by the National Transport Commission in terms of Section 8(I)(b) of Act 57 of 1971 as will more fully appear from expropriation notice EX1141/86 dated 11 April 1986.
- SUBJECT to a cession of a ½ (one half) share in coal rights in favour of D & H COAL LIMITED as will more fully appear in Deed of Cession No K1178/88 RM dated 3 November 1987.
- J. By Notarial Deed No3235/02S the property is subject to the following rights in favour of Ingwe Collieries Limited:
- "2. Grant of Rights
- 2.1 The rights granted to the Grantee in terms of this Servitude shall not affect, detract or limit any of the rights which the Grantee may have;
- 2.1.1 pursuant to the Grantee's Mineral Lease and mineral titles in respect of coal in, on and under the Properties or any of them;
- 2.1.2 as holder of mineral rights in terms of the Act;
- at common law as holder of mineral rights, orin terms of any other Agreement of Servitude in respect of the
- Properties or any of them.
- 2.2 Subject to clause 3.2 the Grantor hereby grants to the Grantee, its successors in title and/or assigns the following rights in respect of the properties:
- 2.2.1 The right of access to, right of way and right of egress from the Properties for the Grantee, its officials, employees, labourers, contractors, agents, joint venture partners or other persons having business with the Grantee, which right the Grantee may only exercise along roads existing from time to time on the Properties.
- 2.2.2 The right to bring Substances onto the Properties, the right to convey Substances over the Properties, whether by road or power lines, irrespective of the source, origin or destination of such Substances and further irrespective of the ownership of such Substances.
- 2.2.3 The right to exercise all the Grantee's rights in respect of the Properties or any of them pursuant of the Grantee's mineral titles or mineral leases; and pursuant to the Act, and in terms of the Common Law; and in terms of this or any other Servitude or Agreement in respect of all or any of the Substances referred to in 2.2.2 irrespective of the ownership, source or destination or use or intended use thereof.

GhostConvey 9.6.0.5

Page 4

- The right, on the Properties, at any time and from time to time to 2.2.4 erect, construct and make use of for any of the purposes referred to in 2.2.2 and at any time and from time to time remove bays for loading and off loading of Substances, electric power lines, electrical installations of any nature, transformers, sub-stations and buildings for transformers, sub-stations and electrical installations and accesses to and egresses from any of the aforesaid structures, irrespective of whether such may exist of may at any time be erected or established on the Properties or on any of them.
- The right to use any of the facilities referred to in 2.2.4 free of 2.2.5 charge.
- The right to store and keep on a temporary basis any Substance 2.2.6 on the Properties or any of them".

FURTHER SUBJECT to such conditions as are mentioned or referred to in the aforesaid Deed/s.

PORTION 6 OF THE FARM ROCKDALE 442 2. **REGISTRATION DIVISION J.S.** PROVINCE OF MPUMALANGA;

> MEASURING 402,2299 (FOUR HUNDRED AND TWO COMMA TWO TWO NINE NINE) HECTARES;

AS WILL APPEAR from Diagram S.G. No 2128/2006 and HELD by Deed of Transfer No. T 131369/2002;

SUBJECT to the following conditions:

- A. SUBJECT to Notarial Deed No 2/1917-P Rts. In favour of ALBERT CHARLES COLLINS as regards certain Royalties with respect to coal mined and won.
- B. SUBJECT to a Servitude of Right-of-Way in favour of the UNION FREE STATE COAL AND GOLD MINE LIMITED, for the purpose of constructing thereon a Railway track and rights ancillary thereto all as will more fully appear from Notarial Deed of Servitude No 479/1951-S.
- C. SUBJECT to the right granted to ELECTRICITY SUPPLY COMMISSION . to convey over the property hereby transferred together with ancillary rights and subject to conditions as will more fully appear from Notarial Deed of Servitude No 664/1967-S registered on the 1st of June 1967.
- D. SUBJECT to a Servitude to convey electricity in favour of Eskom together with ancillary rights and subject to conditions as will more fully appear from Notarial Deed K1384/1974-S with diagram attached, dated the 2nd of July 1974.
- E. SUBJECT to the cession of a 1/2 (one half) share in coal rights in favour of BP Southern Africa (Proprietary) Limited as will more fully appear from Deed of Cession No K3124/1977RM dated 11 October 1977.

GhoslConvey 9.6.0.5

- F. SUBJECT to a servitude to convey electricity over the property in favour of Eskom together with ancillary rights and subject to conditions as will more fully appear from Notarial Deed K2318/85S with diagram annexed dated 12 July 1984.
- G. The following Portions of the property hereunder, measuring approximately:
 - 1) 9,25 (nine comma two five) hectares
 - 2) 3,10 (three comma one zero) hectares
 - 3) 4,49 (four comma four nine) hectares
 - 4) 9,57 (nine comma five seven) hectares
 - 5) 8,43 (eight comma four three) hectares, have been expropriated by the National Transport Commission in terms of Section 8(l)(b) of Act 54 of 1971 as will more fully appear from expropriation notice EX192.85 dated 30 December 1986.
- H. The right to take gravel, stone, sand, clay, water or any other material or substance on or in a portion of the property, measuring approximately 14,11 (fourteen coma one one) hectares, has been expropriated by the National Transport Commission as will more fully appear from expropriation notice EX370/85 dated 30 December 1987.
- The right to use a portion of the property, measuring approximately 14,85 (fourteen comma eight five) hectares, has been expropriated by the National Transport Commission in terms of Section 8(I)(b) of Act 54 of 1971 as will more fully appear from expropriation notice EX127/86 dated 30 December 1987.
- J. SUBJECT to a Servitude to convey electricity over the property in favour of Eskom together with ancillary rights and subject to conditions as will more fully appear from Notarial Deed K222/85S with diagram annexed dated 25 January 1985.
- K. A portion of the property held hereunder, measuring approximately 2,17 (two comma one seven) hectares, together with all minerals thereon has been expropriated by the National Transport Commission in terms of Section 8(I)(b) of Act 57 of 1971 as will more fully appear from expropriation notice EX1141/86 dated 11 April 1986.
- L. A portion of the property hereunder, measuring approximately 8,824 (eight comma eight two four) hectares has been expropriated by the National Transport Commission in terms of Section 8(I)(b) of Act 54 of 1971 as will more fully appear from expropriation notice EX211/87 dated 30 December 1987.
- M. SUBJECT to a cession of a ½ (one half) share in coal rights in favour of D & H COAL LIMITED as will more fully appear in Deed of Cession No K1178/88 RM dated 3 November 1987.



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N. By Notarial Deed No3235/02S the property is subject to the following rights in favour of Ingwe Collieries Limited:

"2. Grant of Rights

- The rights granted to the Grantee in terms of this Servitude shall 2.1 not affect, detract or limit any of the rights which the Grantee may have:
- pursuant to the Grantee's Mineral Lease and mineral titles in 2.1.1 respect of coal in, on and under the Properties or any of them;
- as holder of mineral rights in terms of the Act; 2.1.2
- at common law as holder of mineral rights, or 2.1.3
- in terms of any other Agreement of Servitude in respect of the 2.1.4 Properties or any of them.
- Subject to clause 3.2 the Grantor hereby grants to the Grantee, its 2.2 successors in title and/or assigns the following rights in respect of the properties:
- The right of access to, right of way and right of egress from the 2.2.1 Properties for the Grantee, its officials, employees, labourers, contractors, agents, joint venture partners or other persons having business with the Grantee, which right the Grantee may only exercise along roads existing from time to time on the Properties.
- The right to bring Substances onto the Properties, the right to 2.2.2 convey Substances over the Properties, whether by road or power lines, irrespective of the source, origin or destination of such Substances and further irrespective of the ownership of such Substances.
- The right to exercise all the Grantee's rights in respect of the 2.2.3 Properties or any of them pursuant o f the Grantee's mineral titles or mineral leases; and pursuant to the Act, and in terms of the Common Law; and in terms of this or any other Servitude or Agreement in respect of all or any of the Substances referred to in 2.2.2 irrespective of the ownership, source or destination or use or intended use thereof.
- The right, on the Properties, at any time and from time to time to 2.2.4 erect, construct and make use of for any of the purposes referred to in 2.2.2 and at any time and from time to time remove bays for loading and off loading of Substances, electric power lines, electrical installations of any nature, transformers, sub-stations and buildings for transformers, sub-stations and electrical installations and accesses to and egresses from any of the aforesaid structures, irrespective of whether such may exist of may at any time be erected or established on the Properties or on any of them.
- The right to use any of the facilities referred to in 2.2.4 free of 2.2.5 charge.
- 2.2.6

The right to store and keep on a temporary basis any Substance on the Properties or any of them".

GhostConvey 9.6.0.5

FURTHER SUBJECT to such conditions as are mentioned or referred to in the aforesaid Deed/s.

WHEREFORE the Appearer, renouncing all right and title which the said

KANHYM ESTATES (PROPRIETARY) LIMITED Registration Number: 2001/014673/07

heretofore had to the premises, did in consequence also acknowledge her to be entirely dispossessed of, and disentitled to the same, and that by virtue of these presents, the said

STEVE TSHWETE LOCAL MUNICIPALITY

Its successors in title or assigns, now is and henceforth shall be entitled thereto, conformably to local custom, the State, however reserving its rights, and finally acknowledging the purchase price to be the sum of R1,845,043.82 (ONE MILLION EIGHT HUBDRED AND FORTY FIVE THOUSAND AND FORTY THREE RAND EIGHTY TWO CENTS).

IN WITNESS WHEREOF, I the said Registrar, together with the Appearer q.q., have subscribed to these presents and have caused the Seal of Office to be affixed thereto.

THUS DONE AND EXECUTED at the Office of the REGISTRAR OF DEEDS . MPUMALANGA, at Nelspruit on

2010-09- 22

In my presence

REGISTRAR OF DEEDS

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of the fith Corditions and Extending se cle General Plan and GEWYSIG KRAGTENS ART. 4 (I) (b) VAN AMENDED IN TERMS OF SECTION 4 WET 47 VAN 1937 OM TE LEES: (I) (b) OF ACT 47 OF 1937 TO READ: Londution & 5.G 2128 2007 Subject to Servitude to convey electricity Over the Property in Favour OF Estom centre lines of which are indicated by the Lines Fg and hj on diagram 5: GINO: 2128/2007 bogether with Incillary rights and Subject to Conditions as will more Fully appear From Notorial based of Servitude KA20 000002538/2011 BC DATE : 2011 -03- 16 REGISTRATEUR/REGISTRAR

Para 2 SERTIFIKAAT VAN GEREGISTREERDE TITEL UITGEREIK CERTIFICATE OF REGISTERED TITLE ISSUED TEN OPSIGTE VAN Ptn 1 Ptn of Ptn 6) OF the Farm IN RESPECT OF Ptn 1 Ptn of Ptn 6) OF the Farm Rockdale NO: 442=77,5132 REMAINDER 324.7167 TO000002572/2011 2011 -03- 16 REGISTRATEUR/REGISTRAR

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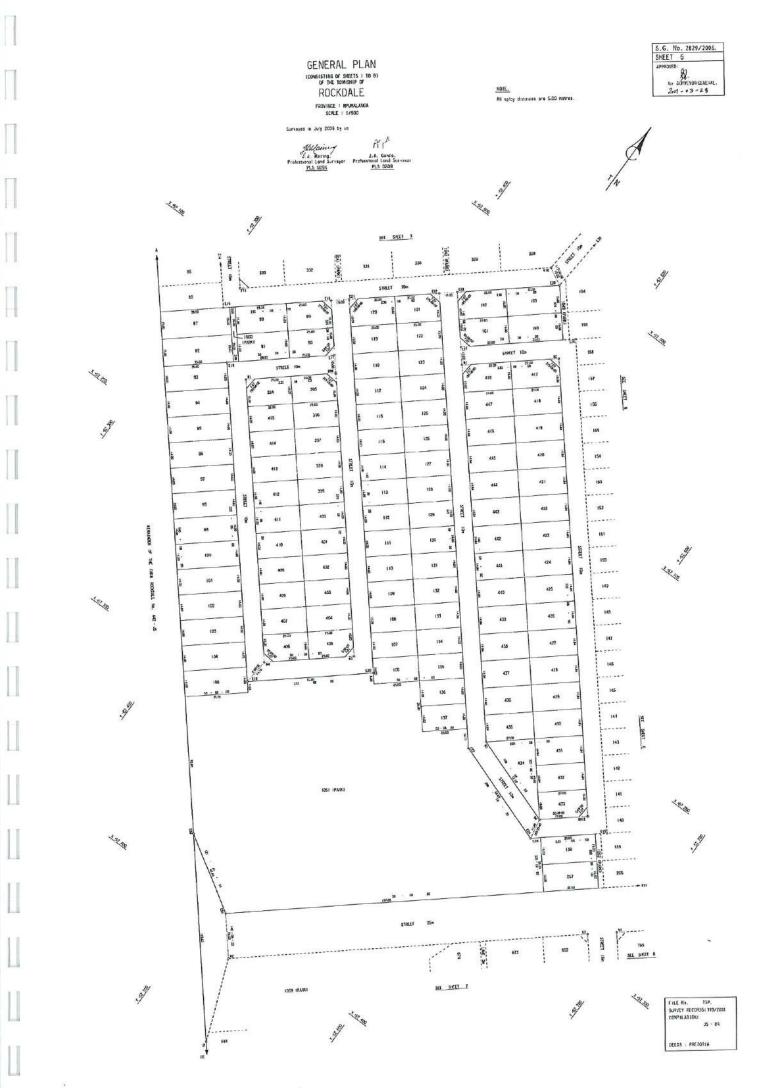
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Approved/compiled by the Surveyor-Gene Goedgekeur/opgestel deur die Landmeter-ge And booked in a separate register under t en te boek gestel in 'n aparte register onder o	eration the neraal op die 2007 - 03-28.
	вс (10002539/201
APPLICATION FILED WITH AANSOEK GELIASSEER BY	<u>BC (99</u>



ANNEXURE D COUNCIL RESOLUTION & DEED OF SALE





Steve Tshwete Local Municipality PO Box 14 | Middelburg | 1050 Cnr Walter Sisulu Str & Wanderers Ave Middelburg | Mpumalanga T: +27 (0)13 249 7000 | F: +27 (0)13 243 2550 council@stlm.gov.za

Your Reference:

Our Reference: 8/1/1-45726(P.Ngubeni/iec)

CHESTER SUPPLIES STAND 35 ARAFAT STREET EASTDENE MIDDELBURG 1050

Dear Sir/Madam,

TENDERS: TENDER BA19/07/2019: LAND : APPLICATION TO PURCHASE ERF 1051 ROCKDALE FOR COMMERCIAL CENTRE

The above matter refers.

The Bid Adjudication Committee on 16 August 2019 has resolved as follows as per Resolution BA19/07/2019:

- THAT approval be granted to Chester Supplies (Pty) Ltd for the application to purchase Erf 1051 Rockdale for commercial centre purposes subject to the conditions stipulated in Resolution C39/03/2019 at an amount of R 850 000 (Eight Hundred and Fifty Thousand Rand) including VAT (i.e. R 1000 000,00 - less 15%)
- 2. **THAT** the subject property be re-valued should a transaction not be concluded within 12 months from the date of valuation (15/03/2019).

In view of the above, you are kindly requested to forward the following information/documents to the Municipality.

- Resolution of the company as to who will sign on behalf of the company.
- ID copy of the authorized person/s.
- Postal and Physical Address of the authorized person/s
- Proof of payment

On receipt of the above information/documents, the Municipality will proceed with the conclusion of drafting the Deed of Sale with your company.

Should you have queries, kindly contact Ms P Ngubeni at 013 249 7240.

Kindly contact Ms P Ngubeni at 013 249 7240/7063 in order to finalize the matter.

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Trusting that you will find the above in order.

Yours faithfully

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MUNICIPAL MANAGER-

B Khenisa 23 August 2019



DEED OF SALE BUSINESS ERVEN

ERF 1051 ROCKDALE

CHESTAR SUPPLIES (Pty) Ltd P.O. BOX 5662 KANONKOP MIDELBURG 1050 CONTACT NO: 0827895365

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DEED OF SALE RESIDENTIAL ERVEN

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MEMORANDUM OF AGREEMENT FOR THE PURCHASE AND SALE OF IMMOVABLE PROPERTY MADE AND ENTERED INTO BY AND BETWEEN

STEVE TSHWETE LOCAL MUNICIPALITY

herein represented by MATTHEWS BHEKUYISE KHENISA in his capacity as MUNICIPAL MANAGER or ANDRIES MDUDUZI MASILELA in his capacity as DIRECTOR: LEGAL AND ADMINISTRATION or THABO DESMOND MOKOENA in his capacity as ASSISTANT DIRECTOR: LEGAL SERVICES duly authorised by a resolution C47/01/2014 of the STEVE TSHWETE LOCAL MUNICIPALITY dated 30 JANUARY 2014,

herein called the SELLER, and

CHESTAR SUPPLIES (Pty) Ltd [REG NO: 2018/234274/07]

herein represented by DONALD VUSI MNDEBELE with IDENTITY NUMBER 570107 5904 084, duly authorised by a resolution dated 23 August 2019. hereinafter called the PURCHASER.

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PROPERTY

The SELLER hereby, in terms of Resolution C39/03/2019 & BA19/07/2019 sells to the PURCHASER who hereby buys:

:

:

CERTAIN ERF IN THE TOWNSHIP MEASURING ERF 1051 MIDDELBURG ROCKDALE APPROXIMATELY 19 999m²

hereinafter called the PROPERTY.

PURCHASE PRICE

The purchase price is the sum of R850 000.00 [EIGHTY HUNDRED AND FIFTY THOUSAND RAND] VAT inclusive payable in cash and/or guarantee or guaranteed cheque on the date of signing this agreement.

3

NON SET-OFF

All payments in terms of this agreement shall be payable free of exchange and free of any other deductions at the offices of the SELLER, except for transfer costs and any costs incidental thereto which are payable to the transferring attorneys.

4

INTEREST

Interest calculated at prime rate shall be payable from date of sale on other monies which may be due by the PURCHASER to the SELLER from time to time. The SELLER however reserves the right to increase the rate of interest at any time with a maximum of 2 per centum (2%) per annum after thirty (30) days written notice has been given to the PURCHASER. Notwithstanding anything to the contrary herein contained the SELLER shall have the right to appropriate any monies received from the PURCHASER, firstly for the payment of any rates, fees, charges and interest and any amount payable.

5

OCCUPATION

Notwithstanding the date of signing of this agreement and notwithstanding the fact that transfer of the **PROPERTY** has not been given to the **PURCHASER**, the **PURCHASER** shall be entitled to take possession and occupation of the **PROPERTY** on the date of sale. The date of sale shall be the date of signature by the last party to the agreement.

6 PAYMENT OF RATES AND TAXES

From the date of sale the risk, loss, profit and advantage of the PROPERTY shall rest upon the PURCHASER, who shall be responsible for the payment of all municipal and government taxes and all other monies or levies payable in respect of the PROPERTY as well as interest on the selling price or any balance thereof (when applicable), and the PURCHASER shall be bound to comply with any requirements which may lawfully be imposed by the SELLER for the supply of water, electricity and sanitary services as well as assessment rates and other municipal levies, and all assessments and costs of any nature are for the debit of the PURCHASER and payable from that date.

CONDITIONS

7

- The PROPERTY is sold as indicated on the general plan of the township which is available for 7.1. inspection at the office of the SELLER, but on condition that the PURCHASER shall subdivide or register at his own cost a portion as indicated in clause 1 of the agreement. The SELLER shall be under no obligation to point out the beacons of the original extent of the PROPERTY and shall also not be liable for payment or any costs incurred in this regard.
- The PROPERTY hereby sold shall be subject to all the Conditions of Establishment and 7.2 Conditions of Title of the Township MIDDELBURG as well as all applicable provisions of the Municipal By-laws and the Steve Tshwete Town Planning Scheme 2004 and in particular the following conditions as included in the Steve Tshwete Town Planning Scheme, 2004:

The PURCHASER hereby acknowledges that he accepts the PROPERTY hereby sold subject to such conditions, that he shall comply with and execute such conditions and that he has acquainted himself with any encumbering conditions, limitations or servitudes which may exist in respect of the PROPERTY.

7.3

It is an express condition of this sale that the PURCHASER shall be obliged to erect and complete a building which will comply with and be permissible in terms of the Conditions of Establishment and Conditions of Title of the township, as well as the Town Planning Scheme and

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any applicable municipal by-laws within 24 [twenty four] months, from the date of sale, with a business building of at least twice the purchase price of the erf or PROPERTY, failing which the PROPERTY is to be retransferred to the SELLER for the original price at the cost of the PURCHASER.

- 7.4 That it be made a condition that the PURCHASER of the PROPERTY may not dispose of it within a period of 3[three] years from the date of registration of the PROPERTY unless it is developed.
- 7.5 That the development and building plans are subject to the approval of the SELLER'S Department of Infrastructure Services.
- 7.6 The SELLER may, upon written application by the PURCHASER received within 3 [three] months before the expiry of the 24 [twenty four] months period, grant an extension of a period by a maximum of a further one year period.
- 7.7 The contents of paragraph 7.3 and 7.4 shall be included in the Title Deed of this PROPERTY and shall thus bind all successive owners of the PROPERTY.
- 7.7 No PURCHASER shall fail to keep the premises owned or occupied by him neat and clean and free of refuse, scrap, glass, paper, rags, rubble, weeds, shrubs, vehicle wrecks, scrap or any type of vehicle which is unsightly or may cause a nuisance or may be detrimental to public health or may offend residents of the area or may be derogatory to the aesthetically appearance of the area.
- 7.8 In the event of the PURCHASER failing to remove the cause of the nuisance and or to abate the nuisance within fourteen [14] days after having been served with the notice by the SELLER, the SELLER will remove the nuisance and recover the cost thereof from the PURCHASER.

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- 7.9 That all costs including, but not limited to, transfer costs, advertisement costs, all related town planning, subdivisional, rezoning, consolidation and registration costs involved with the transfer and/or the alienation of the property be for the account of the purchasers.
- 7.10 That the portion to be alienated be used for business purposes. -
- 7.11 That all Engineering Service Contribution and Services Connection Costs be for the account of the applicant.

VOETSTOOTS

No guarantee or representation whatsoever which has not been described and included herein is made or given by the SELLER and the sale is 'voetstoots'.

9

BREACH

9.1 In the event of the building as stipulated in Clause 7 under 'Conditions' not being fully erected within the specified time or such extended period as may be permitted, the PROPERTY having been registered in the name of the PURCHASER, the SELLER shall be entitled to immediate transfer to its name at the cost of the PURCHASER.

9.2

- The SELLER shall further be entitled to -
- (a) waive the reversion at its discretion and in such instance the PROPERTY shall be exempted from the restrictions imposed in terms of Clause 7 thereof;

OR

(b) retain the purchase price of such portion thereof as has been paid by the PURCHASER pending the re-sale of the PROPERTY to another purchaser. Upon such re-sale, the SELLER shall refund to the PURCHASER such amount as it has received in terms of the re-sale or such amount as it has retained, which ever is the lesser sum. Should such re-sale not have taken place within a period of one year from the date of the aforesaid reversion or retransfer, whichever is the later date, the entire amount which has been retained, shall be refunded;

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- [c] should the SELLER wish to retain the PROPERTY, refund to the PURCHASER an amount equal to the original selling price thereof, which refund shall be made on the date of the aforesaid reversion or retransfer whichever is the most recent.
- 9.2 Should the PURCHASER fail to comply with the provisions of Clause 7 or fail to comply promptly with any obligations as set out in this agreement like the non-payment of the purchase price, government taxes, assessment rates and levies or in the event of the PURCHASER violating any such conditions the SELLER shall, without any notice to the PURCHASER, be entitled to cancel this Agreement summarily and the SELLER will further be entitled to:
 - 9.2.1 Claim full compliance of all the terms and conditions of this agreement including the payment of the full purchase price forthwith and/or;
 - 9.2.2 Cancel the agreement in which event the SELLER shall be entitled to recover damages from the PURCHASER and pending the establishment of damages to retain on account of damages to be awarded any amounts which may have been paid hereunder and the PURCHASER shall immediately be dispossessed of and he hereby agrees, and blnds himself/herself forthwith to give up possession of and to vacate the PROPERTY and any improvements effected thereon; and;
 - 9.2.3 In any event be entitled to claim from the guilty party all costs at an attorney and client scale including costs incurred prior to issuing summons as well as collection of commission calculated at 10% (ten percent) on all amounts recovered or paid and interest on all amounts payable at prime rate from the date of sale and any such dates as the amounts are payable in terms hereof but in any event not later than from the date upon which the notice to the party in default was posted.
 - 9.2.4 On non payment of the deposit and balance of the purchase price as in clause 2 of the Deed of Sale, by the PURCHASER, to automatically cancel the contract without any notice to the PURCHASER.

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- 9.2.5 Retain the purchase price pending the re-sale of the PROPERTY to another purchaser. Upon re-sale, the SELLER shall refund to the PURCHASER such amount as it has received in terms of the re-sale or such amount that it has retained, whichever is the lesser sum less 10% deposit. Should such re-sale not have taken place within a period of one year from the date of the aforesaid reversion or retransfer, whichever is the most recent, the entire amount which has been retained, shall be refunded and shall retain the 10% deposit already paid;
- 9.2.6 Should the SELLER wish to retain the PROPERTY, refund to the PURCHASER an amount equal to the original selling price thereof or the portion of the selling price which has already been paid to the SELLER, whichever shall be the lesser sum, which refund shall be made on the date of the aforesaid reversion or re-transfer whichever is the most recent, provided that the 10% deposit already paid by the PURCHASER shall be forfeited;
- 9.2.7 The 10% deposit shall in case of cancellation of this agreement for whatever reason/s (except for adverse soil conditions) be forfeited to the SELLER.
 - 9.2.8 The 10% deposit shall be refunded to the PURCHASER in the case of cancellation of this agreement due to adverse soil conditions.

Provided that the SELLER shall be entitled, in any of the above instances, to deduct from any refund payable to the PURCHASER the costs resulting from such cancellation including the costs of retransferring the PROPERTY to the SELLER, as well as assessment rates, government taxes, commission payable to the auctioneer, and all charges payable in terms of any act or by-law applicable within the municipal area of Middelburg. In the event of the amount refundable to the PURCHASER being insufficient to cover the costs, assessment rates and levies as set out above, the SELLER shall have the right to recover any outstanding balances plus interest to date of payment from the PURCHASER.

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9.3. In the event of the cancellation of this agreement or the reverting back of the PROPERTY to the SELLER, the SELLER can according to his exclusive discretion and notwithstanding any preceding stipulation -

- (i) allow the PURCHASER to remove all improvements with the reservation that it be done in such a manner that the value of the PROPERTY will by no means be effected; or alternatively
- (ii) pay an amount to the PURCHASER for the value of the improvements as determined by an official / registered valuator of the SELLER, which valuation will be final, or an amount equal to the real cost thereof, whichever amount is the lowest.

The provisions of this sub-clause do not, in the event of the cancellation of this agreement, place an obligation on the SELLER to pay any compensation to the PURCHASER for improvements affected by the PURCHASER to the PROPERTY.

10

TRANSFER

- 10.1 The PURCHASER shall be responsible for the payment of all costs in connection with the transfer including transfer duty, value added tax (if payable) and other charges payable to the Government, stamp duty and the cost of this Deed of Sale. The PURCHASER acknowledges that he is aware that in terms of the Transfer Duty Act No. 40 of 1949, as amended, transfer duty is payable within six (6) months from the date of this sale and that thereafter there is a penalty duty payable on the unpaid duty. The PURCHASER shall be required to sign the transfer documents at the SELLER's attorneys within 2 [two] months from the date of sale failing which the SELLER shall take legal steps to cancel the deed of sale.
- 10.2 The PURCHASER shall be entitled to take transfer of the PROPERTY after all other payments due in terms of this agreement has been paid, or payment of such monies has been guaranteed.

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10.3 Transfer shall be passed by the SELLER's Attorneys within 180 days after signing the Deed of Sale. All costs of and incidental to transfer, including VAT and/or any costs shall be borne by the PURCHASER and shall be payable on demand to the transferring attorneys.

11

DOMICILIUM

The PURCHASER and SELLER hereby choose as their addresses for any purpose and as domicilium citandi et executandi for the purpose of this agreement, the following:

THE SELLER

Steve Tshwete Local Municipality Municipal Buildings Wanderers Avenue <u>MIDDELBURG</u> 1050

THE PURCHASER

CHESTAR SUPPLIES (Pty) Ltd 35 ARAFAT STREET EASTDENE <u>MIDDELBURG ... 1050</u> CONTACT: 0827895365

Any notice which is required to be given to the PURCHASER under this agreement or in regard to any rights or conditions as set out herein shall be sent to the PURCHASER to the above address, and all documents in regard to legal action which may be instituted by the SELLER, arising herefrom shall be served at that address. The parties also hereby agree to the jurisdiction of the Magistrate's Court in respect of the settlement of any dispute which may arise between them in regard to this agreement or the cancellation thereof notwithstanding that such dispute may fall outside the jurisdiction of the said Court. This Clause shall be deemed to be the required written consent to the jurisdiction of the Magistrate's Court in terms of the provisions of the Magistrate's Court Act, 1944, as amended, provided that the SELLER shall have the right to institute action in any other competent higher Court which may have jurisdiction.

In the event of the SELLER regarding it as essential or advisable to take legal action, to protect his interest, as a result of the default of the PURCHASER, the SELLER shall be entitled to recover the costs at the scale calculated as between attorney and client, and the SELLER shall particularly be entitled to recover the normal collection commission from the PURCHASER on any amounts recovered by his legal representative.

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SOIL CONDITIONS

The PURCHASER acknowledges that he has ascertained himself of the soil conditions of the PROPERTY, that he, himself inspected the PROPERTY in a proper manner to determine any possible detrimental soil conditions. The PURCHASER hereby waive any of his rights to hold the SELLER responsible for any possible detrimental soil conditions.

13

FENCE

The PURCHASER shall, at his own expense, erect and maintain a fence or barrier to the satisfaction of the SELLER where and when required by the SELLER.

14

PROHIBITION

An explicit condition of sale of the PROPERTY is that the PURCHASER undertakes to ensure that no person will be allowed to be domiciled on the PROPERTY.

15

LIABILITY

This agreement of sale is subject to the conditions that any person who enters into a Deed of Sale on behalf of the Company to be formed and such company should not be registered, the person who entered into the agreement as aforesaid shall be held personally liable to comply with all the conditions contained in this agreement.

16

ENTIRE AGREEMENT

The parties agree that the above agreement represents the whole contract between them and that no other conditions, stipulations, guarantees or representations whatsoever by either of the parties or their agents have been entered into and any of the conditions, stipulations etc. by the parties, shall not be binding until reduced in writing and signed by both parties. No concession or extension which the SELLER may grant or permit to the PURCHASER in respect of any provision hereof or any obligation

which the PURCHASER may comply with or do, except if given in writing, shall at any time be regarded as a waiver of the rights of the SELLER to claim prompt and stringent compliance with each and every provision of this agreement.

THUS DONE AND SIGNED AT MIDDELBURG, MPUMALANGA, ON THIS THE 2nd DAY OF

AS WITNESSES:

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fortre 2

peno, SELLER PURCHASER

ANNEXURE E CURRENT ZONING PLAN & ZONING CERTIFICATE







PO Box 14 | Middelburg | 1050 Cnr Walter Sisulu Str & Wanderers Ave Middelburg | Mpumalanga T: +27 (0)13 249 7000 | F: +27 (0)13 243 2550 council@stlm.gov.za

and a

Zoning Certificate

Property description:	1051, ROCKDALE					
Street Address:						
Registered area:	1,9999-Н					
Municipality:	Steve Tshwete Local Municipality					
Zoning:	Public open space					
Definition:						
Primary use/s:	Park; Public open space; Public sports and recreation grounds; Gardens; Amenity Area;					
Primary use/s:	 Park (Land which is under or will be under the ownership of the Municipality or other public authority, which is not leased on a long term basis, and which is set aside for the public as an open space, park, garden, picnic area, playground or square or for nature conservation.) Public open space (Land which is under or will be under the ownership of the Municipality or other public authority, which is not leased on a long term basis, and which is set aside for the public as an open space, park, garden, picnic area, playground or square or for nature conservation.) Public open space, park, garden, picnic area, playground or square or for nature conservation.) Public sports and recreation grounds Gardens Amenity Area (Land reserved for the protection of places of scenic beauty, natural vegetation, rivers and other topographical features, fauna and flora, places of historical interest and the like, but which may with the permission of the owner be used by the public for passive recreation.) 					
Development permit:	Marina;					
Conditional use:	Communications Tower; Garden Nursery; Flea Market; Kiosk; Tea Garden; Informal Trading;					
Consent uses approved:	None					
Not permitted:	As per Steve Tshwete Town Planning Scheme, 2004					
Parking:	As per Steve Tshwete Town Planning Scheme, 2004					
Building lines:	As per Steve Tshwete Town Planning Scheme, 2004					
Coverage:	As per Steve Tshwete Town Planning Scheme, 2004					
Density classification:	As per Steve Tshwete Town Planning Scheme, 2004					
Height:	As per Steve Tshwete Town Planning Scheme, 2004					
Relaxations of restrictions:	None					

This information is in accordance with the Steve Tshwete Town Planning Scheme, 2004 as of the d below.

DIRECTOR: TOWN PLANNING AND HUMAN SETTLEMENTS M MAHAMBA 07 November 2019



ANNEXURE F CURRENT LAND USE PLAN

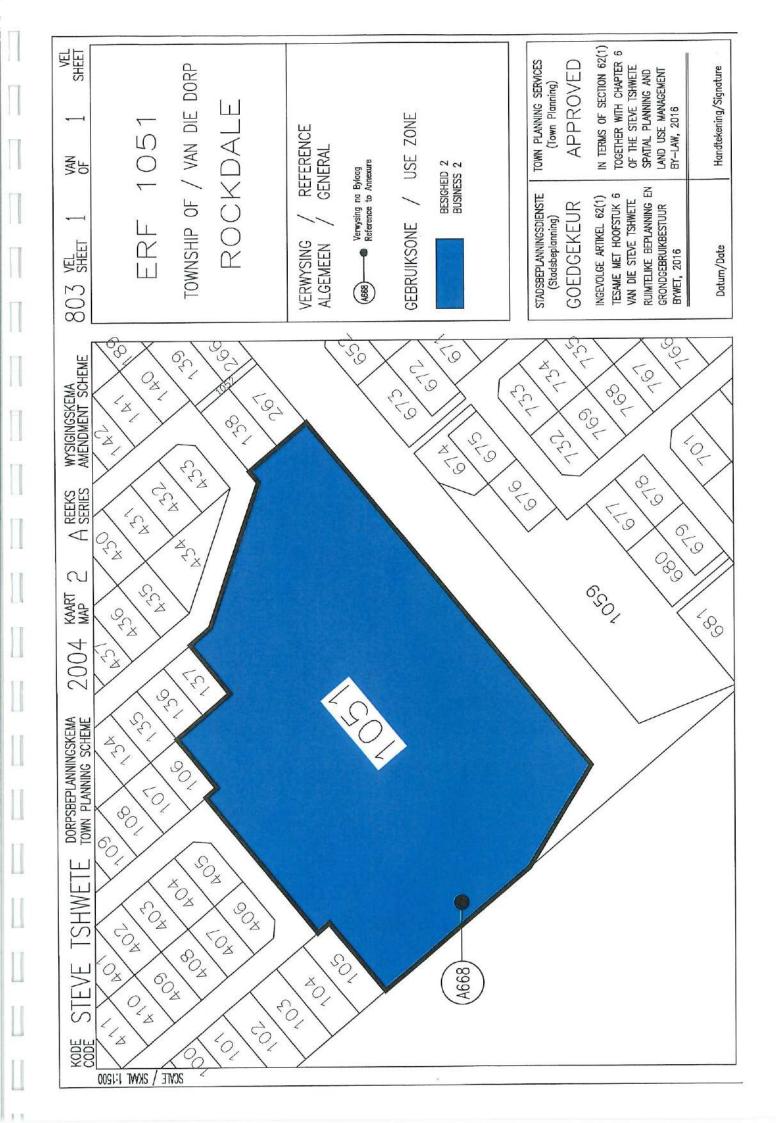


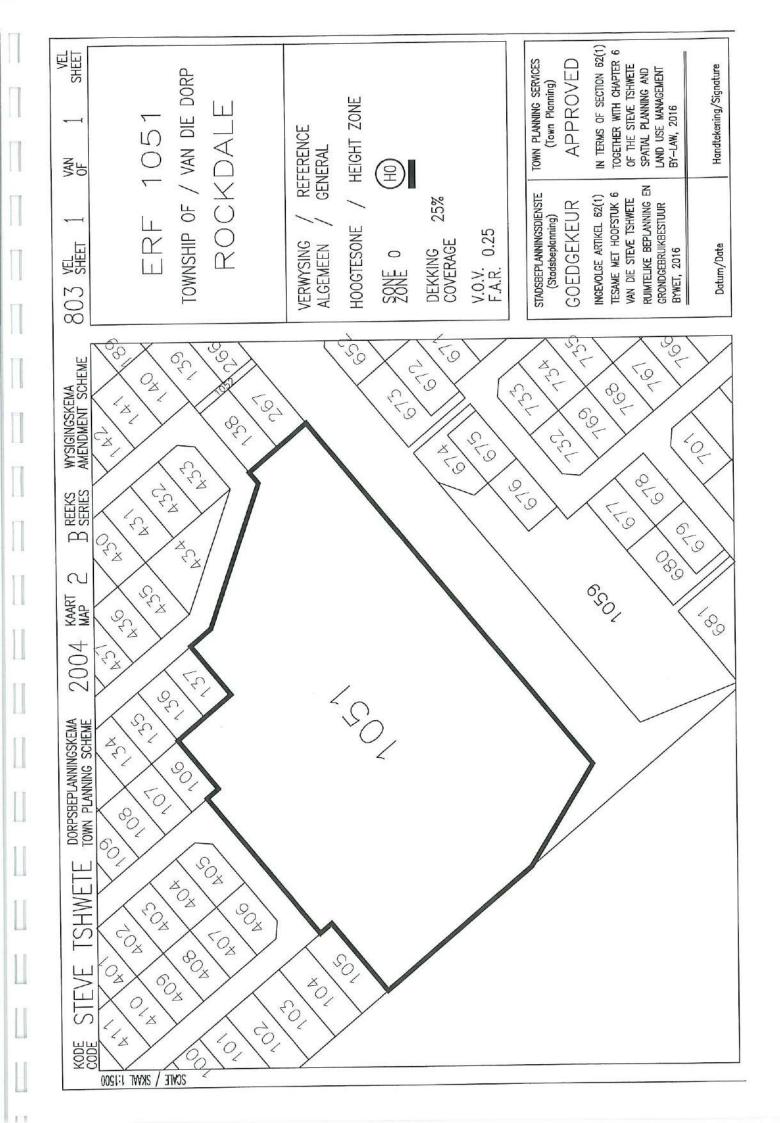


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ANNEXURE G MAP 2 AND SCHEME CLAUSES







VAN 1 VEL OF 1 SHEET	1 C.C.	-))	TOWNSHIP OF / VAN DIE DORP	ROCKDALE							TOWN PLANNING SERVICES (Town Planning) APPROVED	IN TERMS OF SECTION 62(1) TOGETHER WITH CHAPTER 6 OF THE STEVE TSHWETE SPATIAL PLANNING AND LAND USE MANAGEMENT BY-LAW, 2016	Handtekening/Signature
803 VEL 1	FRF 1051]	TOWNSHIP OF /	X 00 X 00 X 00					3		STADSBEPLANNINGSDIENSTE (Stadsbeplanning) GOEDGEKEUR	INCEVOLGE ARTIKEL 62(1) TESAME MET HOOFSTUK 6 VAN DIE STEVE TSHWETE RUIMTELIKE BEPLANNING EN GRONDGEBRUIKBESTUUR BYWET, 2016	Datum/Date
KODE STEVE TSHWETE DORPSBEPLANNINGSKEMA 2004 BYLAE 668 WYSIGINGSKEMA CODE STEVE TSHWETT TOWN PLANNING SCHEME		BYLAE A668 ANNEXURE A668	Die sonering van Erf 1051, Rockdale is 'Besigheid 2' met die The zoning of Erf 1051, Rockdale is 'Business 2' with the following conditions:	 Dat al die standaard voorwaardes wat geldig is vir erwe gesoneer "Besigheid 2" soos vervat in die Steve Tshwete Dorpsbeplanningskema, 2004 van toepassing sal wees. That all standard conditions applicable to erven zoned "Business 2" as contained in the Steve Tshwete Town Planning Scheme, 2004 shall apply. 	 Dat die hoogte van alle geboue op die erf nie twee That the height of all buildings on the erf shall not exceed verdiepings sal oorskry nie. 	 Dat die totale dekking van alle geboue op die erf nie 25% That the total coverage of all buildings within the erf shall van die totale erf se oppervlakte sal oorskry nie. 	 Dat die vloeroppervlakteverhouding nie 0.25 sal oorskry That the floor area ratio shall not exceed 0.25. nie. 	 Dat die boulyne op die erf slegs gewysig mag word deur That building lines applicable on the erf may only be die indiening en goedkeuring van 'n amended by means of submission and approval of a site terreinontwikkelingsplan. 	 Dat die op- en aflaai van goedere slegs binne die 6. That the loading and off-loading of goods shall only take erfgrense sal plaasvind. 	 Dat effektiewe geplaveide parkeerplekke tesame met die That effective paved parking spaces together with the nodige beweegruimte op die erf voorsien sal word tot die beveediging van die Raad in die volgende verhouding: That effective paved parking spaces together with the nodige beweegruimte op die erf voorsien sal word tot die bevrediging van die Raad in die volgende verhouding: 	7.1 6 parkeerplekke per 100m ² brutoverhuurbare 7.1 6 parking space per gross leasable floor area. vloeroppervlakte		
×0	2K₩T 1:1000	CALE /	S										

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STEVE TSHWETE TOWN PLANNING SCHEME 2004

AMENDMENT SCHEME 803

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The Steve Tshwete Town Planning Scheme 2004, approved by virtue of Local Authority Notice 68, dated 1 April 2005, is hereby further amended and altered in the following matter:

- 1. The Map, as shown on Map 3, Amendment Scheme 803
- 2. By the addition of Annexure A668 the Scheme.

STADSBEPLANNINGS-	TOWN PLANNING
DIENSTE	SERVICES
GOEDGEKEUR	APPROVED
INGEVOLGE ARTIKEL	IN TERMS OF SECTION
62(1) TESAME MET	62(1) TOGETHER WITH
HOOFSTUK 6 VAN DIE	CHAPTER 6 OF THE
STEVE TSHWETE	STEVE TSHWETE
RUIMTELIKE	SPATIAL PLANNING AND
BEPLANNING EN	LAND USE
GRONDGEBRUIK	MANAGEMENT BY-LAW,
BESTUUR BYWET, 2016	2016

Datum / Date

Handtekening / Signature

STEVE TSHWETE DORPSBEPLANNING SKEMA 2004

WYSIGINGSKEMA 803

Die Steve Tshwete Dorpsbeplanningskema 2004, goedgekeur kragtens Plaaslike Bestuurskennisgewing 68, gedateer 1 April 2005, word soos volg verder gewysig en verander:

- 1. Die Kaart, soos aangetoon op Kaart 3, Wysigingskema 803
- 2. Deur die byvoeging van Bylae A668 tot die Skema.

STADSBEPLANNINGS-	TOWN PLANNING
DIENSTE	SERVICES
GOEDGEKEUR	APPROVED
INGEVOLGE ARTIKEL	IN TERMS OF SECTION
62(1) TESAME MET	62(1) TOGETHER WITH
HOOFSTUK 6 VAN DIE	CHAPTER 6 OF THE
STEVE TSHWETE	STEVE TSHWETE
RUIMTELIKE	SPATIAL PLANNING AND
BEPLANNING EN	LAND USE
GRONDGEBRUIK	MANAGEMENT BY-LAW,
BESTUUR BYWET, 2016	2016

Datum / Date

Handtekening / Signature

ANNEXURE H ENGINEERING REPORTS

